中国中信金融资产
China CITIC Financial AMC

中國中信金融資產管理股份有限公司
China CITIC Financial Asset Management Co., Ltd.

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock Code: 2799)

ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS UNDER RULE 14A.60 OF THE LISTING RULES

This announcement is made by the Company under Rule 14A.60 of the Listing Rules.

Background

References are made to the announcement dated 28 May 2024 and the circular dated 11 June 2024 of the Company in relation to, among other things, the Company transferred 60% of the issued shares in Financial Leasing Company to CITIC Group, with the consideration of RMB11,997,543,239.36 (excluding the related transaction costs). Reference is made to the announcement dated 31 December 2024 of the Company, conditions precedent to the Share Transfer Agreement have been fulfilled and the Disposal has been completed. Upon completion of the Disposal, CITIC Group and the Company hold 60% and 19.92% of the issued shares of Financial Leasing Company, respectively, and Financial Leasing Company has become an associate of the Company and has ceased to be the Company's subsidiary.

Prior to the completion of the Disposal, the Group entered into several agreements with Financial Leasing Company with fixed terms and fixed conditions and conducted various transactions in accordance with the Agreements.

Listing Rules Implications

As at the date of this announcement, CITIC Group holds 21,230,929,783 Domestic Shares of the Company (representing 26.46% of the total issued Shares of the Company), being a substantial shareholder of the Company, and constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Upon the completion of the Disposal, CITIC Group hold 60% of the issued shares in Financial Leasing Company, accordingly, Financial Leasing Company and its wholly-owned subsidiary, Huarong Shipping Financial Leasing Company, have become associates of CITIC Group and connected persons of the Company under Chapter 14A of the Listing Rules. The Transactions, which were originally continuing transactions of the Company, have become continuing connected transactions of the Company. In accordance with Rule 14A.60(1) of the Listing Rules, the Company shall comply with the annual review and disclosure requirements under Chapter 14A of the Listing Rules, including issuance of announcements and annual reporting regarding the Transactions. If the Agreements are renewed or their terms are amended, the Company will comply with all applicable reporting, announcement and, if applicable, independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

This announcement is made by the Company under Rule 14A.60 of the Listing Rules.

Background

References are made to the announcement dated 28 May 2024 and the circular dated 11 June 2024 of the Company in relation to, among other things, the Company transferred 60% of the issued shares in Financial Leasing Company to CITIC Group, with the consideration of RMB11,997,543,239.36 (excluding the related transaction costs). Reference is made to the announcement dated 31 December 2024 of the Company, conditions precedent to the Share Transfer Agreement have been fulfilled and the Disposal has been completed. Upon completion of the Disposal, CITIC Group and the Company hold 60% and 19.92% of the issued shares of Financial Leasing Company, respectively, and Financial Leasing Company has become an associate of the Company and has ceased to be the Company's subsidiary.

Prior to the completion of the Disposal, the Group entered into several agreements with Financial Leasing Company with fixed terms and fixed conditions and conducted various transactions in accordance with the Agreements. The principal terms of such Agreements are set out as follows:

Inter-bank Borrowing and Lending Agreement A

Date	:	6 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement A, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.

Period for provision of funding support	:	From 6 December 2024 to 3 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Inter-bank Borrowing and Lending Agreement B

Date	:	11 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement B, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.
Period for provision of funding support	:	From 11 December 2024 to 8 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Inter-bank Borrowing and Lending Agreement C

Date	:	12 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement C, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.
Period for provision of funding support	:	From 12 December 2024 to 9 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Inter-bank Borrowing and Lending Agreement D

Date	:	17 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement D, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.
Period for provision of funding support	:	From 17 December 2024 to 14 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Inter-bank Borrowing and Lending Agreement E

Date	:	18 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement E, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.
Period for provision of funding support	:	From 18 December 2024 to 15 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Inter-bank Borrowing and Lending Agreement F

Date	:	23 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement F, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.
Period for provision of funding support	:	From 23 December 2024 to 20 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Inter-bank Borrowing and Lending Agreement G

Date	:	24 December 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Inter-bank Borrowing and Lending Agreement G, the Company provided a loan of RMB0.5 billion to Financial Leasing Company.
Period for provision of funding support	:	From 24 December 2024 to 21 January 2025.
Interest rate	:	The interest rate of such loan is the average of "depository institution credit lending rate" ("**DIBO**") for the same maturity of five trading days before the inter-bank borrowing and lending period + 60bp.
Payment of principal and interest	:	Financial Leasing Company shall make a one-off payment of the principal and interest to the Company on the maturity date.

Lease Agreement A

Date	:	1 February 2024
Parties	:	(1) Zhiyuan Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Lease Agreement A, Zhiyuan Company leased an office with a gross floor area of 200 square meters in Chongqing, the PRC to Financial Leasing Company for office use.
Period	:	From 1 February 2024 to 31 January 2025.
Rent	:	The total rent is RMB168,000, Financial Leasing Company shall pay rent to Zhiyuan Company on a quarterly basis. The above rent was determined with reference to prevailing market price and rents paid by other independent third parties to Zhiyuan Company for leasing of other properties.

Lease Agreement B

Date	:	1 January 2024
Parties	:	(1) Shanghai Branch of the Company; and (2) Huarong Shipping Financial Leasing Company
Subject matter	:	Pursuant to the Lease Agreement B, Shanghai Branch of the Company leased an office with a gross floor area of 889.91 square meters in Shanghai, the PRC to Huarong Shipping Financial Leasing Company for office use.
Period	:	From 1 January 2024 to 31 December 2024.
Rent	:	The total rent is RMB3,118,244.64, Huarong Shipping Financial Leasing Company shall pay rent to Shanghai Branch of the Company on a quarterly basis. The above rent was determined with reference to prevailing market price and rents paid by other independent third parties to Shanghai Branch of the Company for leasing of other properties.

Entrusted Disposal Agreement A

Date	:	27 June 2023
Parties	:	(1) Zhejiang Branch of the Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Entrusted Disposal Agreement A, Zhejiang Branch of the Company entrusted Financial Leasing Company to manage, dispose and collect Target Asset A.
Period	:	From 27 June 2023 to 26 June 2026 or the date of full recovery of Target Asset A (whichever occurs earlier).
Service fees	:	There is no fixed remuneration under the Entrusted Disposal Agreement A. Pursuant to the Entrusted Disposal Agreement A, if the cumulative net cash recovery amount of Target Asset A reached the target collecting amount agreed upon in Entrusted Disposal Agreement A, Zhejiang Branch of the Company shall pay a one-off remuneration of 80% of the excess net cash recovery amount to Financial Leasing Company upon completion of accounting. The above service fees were determined based on general commercial terms and similar rates provided to independent third parties.

Entrusted Disposal Agreement B

Date	:	20 June 2024
Parties	:	(1) The Company; and (2) Financial Leasing Company
Subject matter	:	Pursuant to the Entrusted Disposal Agreement B, the Company entrusted Financial Leasing Company to manage Target Asset B, and seek repayment from the lessees, debtors, guarantors and other obligated parties involved in Target Asset B in accordance with the provisions of Entrusted Disposal Agreement B.
Period	:	From 20 June 2024 to 19 June 2027 or the date of full recovery of Target Asset B (whichever occurs earlier).
Service fees	:	The service fees under Entrusted Disposal Agreement B comprised of fixed remuneration and floating remuneration. In particular, the fixed remuneration was approximately RMB56,557,631, which was paid by the Company in a lump sum to Financial Leasing Company upon completion of accounting. If the cumulative net cash recovery amount of Target Asset B reached the disposal targeted amount as set out in Entrusted Disposal Agreement B, the Company shall pay a one-off floating remuneration of 80% of the excess net cash recovery amount to Financial Leasing Company upon completion of accounting. The above service fees were determined based on general commercial terms and similar rates provided to independent third parties.

Reasons for and Benefits of the Transactions

The Inter-bank Borrowing and Lending Agreements entered into between the Company and Financial Leasing Company not only will benefit Financial Leasing Company in obtaining stable capital resources to better support its business development, but also benefit the Company in obtaining better return on capital with its own funds.

The Lease Agreement A entered into between Zhiyuan Company and Financial Leasing Company and the Lease Agreement B entered into between Shanghai Branch of the Company and Huarong Shipping Financial Leasing Company could fully utilize the resources of the Group and increase the revenue of the Group.

The operation of distressed assets is one of the core business of the Group, the Company entered into Entrusted Disposal Agreement A and Entrusted Disposal Agreement B with Financial Leasing Company to fully integrate the advantageous resources of the Group and Financial Leasing Company, take advantage of their respective advantages, effectively improve the Group’s economic benefits, so as to enhance the Group’s comprehensive competitiveness in its core business of distressed asset operation.

In view of the above factors, the Directors (including the independent non-executive Directors) are of the view that the Transactions were entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms of the Agreements are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

Listing Rules Implications

As at the date of this announcement, CITIC Group holds 21,230,929,783 Domestic Shares of the Company (representing 26.46% of the total issued Shares of the Company), being a substantial shareholder of the Company, and constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Upon the completion of the Disposal, CITIC Group hold 60% of the issued shares in Financial Leasing Company, accordingly, Financial Leasing Company and its wholly-owned subsidiary, Huarong Shipping Financial Leasing Company, have become associates of CITIC Group and connected persons of the Company under Chapter 14A of the Listing Rules. The Transactions, which were originally continuing transactions of the Company, have become continuing connected transactions of the Company. In accordance with Rule 14A.60(1) of the Listing Rules, the Company shall comply with the annual review and disclosure requirements under Chapter 14A of the Listing Rules, including issuance of announcements and annual reporting regarding the Transactions. If the Agreements are renewed or their terms are amended, the Company will comply with all applicable reporting, announcement and, if applicable, independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

General Information

The Company mainly engages in businesses such as distressed asset management, financial services, and asset management and investment business in China.

Zhiyuan Company is a limited liability company incorporated in China. As at the date of this announcement, Zhiyuan Company is a wholly-owned subsidiary of the Company. Zhiyuan Company is mainly engaged in investment management, asset management, property management, etc.

Financial Leasing Company is a joint stock limited liability company incorporated in China. As at the date of this announcement, CITIC Group and the Company hold 60% and 19.92% of its issued shares, respectively. Financial Leasing Company is a national non-banking financial institution regulated by the NFRA, and its main scope of business is to carry out the financial leasing business and other businesses approved by the NFRA.

Huarong Shipping Financial Leasing Company is a limited liability company incorporated in China. As at the date of this announcement, Huarong Shipping Financial Leasing Company is a wholly-owned subsidiary of Financial Leasing Company, and its main scope of business is to carry out the financial leasing business and other businesses approved by the NFRA.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

"Agreements"	Inter-bank Borrowing and Lending Agreements, Lease Agreement A, Lease Agreement B and Entrusted Disposal Agreement A, Entrusted Disposal Agreement B
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors of the Company
"CITIC Group"	CITIC Group Corporation, a substantial shareholder of the Company, whose ultimate beneficial owner is the MOF
"Company"	China CITIC Financial Asset Management Co., Ltd., a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the related matters of the Company's transfer of the 60% of the issued shares of Financial Leasing Company to CITIC Group pursuant to the Share Transfer Agreement
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in RMB
"Entrusted Disposal Agreement A"	the entrusted disposal agreement on Target Asset A dated 27 June 2023 entered into between the Company and Financial Leasing Company
"Entrusted Disposal Agreement B"	the entrusted disposal agreement on Target Asset B dated 20 June 2024 entered into between the Company and Financial Leasing Company

"Financial Leasing Company"	China Huarong Financial Leasing Co., Ltd., a joint stock limited liability company incorporated in the PRC, 60% and 19.92% of its issued shares are held by CITIC Group and the Company, respectively as at the date of this announcement
"Group"	the Company and its subsidiaries
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK$ and listed on the Main Board of the Hong Kong Stock Exchange
"HK$" or "HKD"	the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Huarong Shipping Financial Leasing Company"	Huarong Shipping Financial Leasing Co., Ltd., a limited liability company incorporated in China, which is a wholly-owned subsidiary of Financial Leasing Company as at the date of this announcement
"Lease Agreement A"	the lease agreement entered into between Zhiyuan Company and Financial Leasing Company dated 1 February 2024 in relation to the leasing of an office with a gross floor area of 200 square meters in Chongqing, the PRC
"Lease Agreement B"	the lease agreement entered into between Shanghai Branch of the Company and Huarong Shipping Financial Leasing Company dated 1 January 2024 in relation to the leasing of an office with a gross floor area of 889.91 square meters in Shanghai, the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
"Inter-bank Borrowing and Lending Agreements"	Inter-bank Borrowing and Lending Agreement A, Inter-bank Borrowing and Lending Agreement B, Inter-bank Borrowing and Lending Agreement C, Inter-bank Borrowing and Lending Agreement D, Inter-bank Borrowing and Lending Agreement E, Inter-bank Borrowing and Lending Agreement F, Inter-bank Borrowing and Lending Agreement G
"Inter-bank Borrowing and Lending Agreement A"	the agreement dated 6 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company

"Inter-bank Borrowing and Lending Agreement B"	the agreement dated 11 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company
"Inter-bank Borrowing and Lending Agreement C"	the agreement dated 12 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company
"Inter-bank Borrowing and Lending Agreement D"	the agreement dated 17 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company
"Inter-bank Borrowing and Lending Agreement E"	the agreement dated 18 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company
"Inter-bank Borrowing and Lending Agreement F"	the agreement dated 23 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company
"Inter-bank Borrowing and Lending Agreement G"	the agreement dated 24 December 2024 entered into between the Company and Financial Leasing Company in relation to the Company's provision of a loan of RMB0.5 billion to Financial Leasing Company
"MOF"	the Ministry of Finance of the PRC
"NFRA"	the National Financial Regulatory Administration of the PRC
"PRC" or "China"	the People's Republic of China
"RMB"	the lawful currency of the PRC
"Share(s)"	share(s) of the Company, including Domestic Share(s) and H Share(s)
"Share Transfer Agreement"	the share transfer agreement dated 28 May 2024 entered into between the Company and CITIC Group in relation to the Disposal
"Shareholder(s)"	holder(s) of Share(s) of the Company
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules

"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Target Asset A"	specific debt assets held by the Company
"Target Asset B"	specific financial lease debt assets and financial lease debt usufruct assets held by the Company
"Transactions"	various transactions between the Group and Financial Leasing Company pursuant to the Agreements
"Zhiyuan Company"	Huarong Zhiyuan Investment & Management Co., Ltd., a limited liability company incorporated in China, which is a wholly-owned subsidiary of the Company as at the date of this announcement
"%"	per cent

By order of the Board
China CITIC Financial Asset Management Co., Ltd.
LIU Zhengjun
Chairman

Beijing, the PRC
31 December 2024

As at the date of this announcement, the Board comprises Mr. LIU Zhengjun and Mr. LI Zimin as executive Directors; Ms. ZHAO Jiangping, Mr. XU Wei and Mr. TANG Hongtao as non-executive Directors; Mr. SHAO Jingchun, Mr. ZHU Ning, Ms. CHEN Yuanling and Mr. LO Mun Lam, Raymond as independent non-executive Directors.